



County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA
Chief Executive Officer

July 9, 2010

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

To: Supervisor Gloria Molina, Chair
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

A handwritten signature in black ink, appearing to be "W. T. Fujioka", written over a horizontal line.

SACRAMENTO UPDATE

This memorandum contains pursuit of County positions on a State Budget item related to funding for In-Home Supportive Services for anti-fraud activities, and legislation regarding use of Emergency Housing and Assistance Program funds for supportive housing services and extension of Medi-Cal benefits to youth entering juvenile detention facilities; and an update on two County-sponsored measures related to the Subdivision Map Act and conducting meetings of the board of supervisors outside of the county seat.

Pursuit of County Position on a State Budget Item

The Governor's FY 2010-11 Budget proposed \$10 million in State General Funds for counties to continue implementation of In-Home Supportive Services (IHSS) anti-fraud initiatives. The Assembly and Senate Budget Committees rejected the Governor's proposal. This item is not currently included for consideration by the Budget Conference Committee.

The State Budget Act of 2009 provided \$10 million statewide to counties for IHSS fraud prevention, detection, referral, investigation, and prosecution activities. Counties that elect to pursue IHSS fraud initiatives are required to submit a plan for State approval detailing the specific program integrity activities, including staffing structure each county would establish with its allocation of the \$10 million. Participating counties also are

"To Enrich Lives Through Effective And Caring Service"

***Please Conserve Paper – This Document and Copies are Two-Sided
Intra-County Correspondence Sent Electronically Only***

required to provide local matching funds. The State and county shares are used to draw down Federal matching funds which increased the amount of funding for anti-fraud initiatives from \$10 million to approximately \$26.4 million.

In November 2009, your Board approved the County's Enhanced IHSS Anti-Fraud Program plan developed by the Department of Public Social Services (DPSS) in partnership with the District Attorney (DA). The County's plan established 11 IHSS program integrity initiatives for a combined annual Federal/State/County cost of \$9.4 million, which includes \$1.5 million net County costs. The plan identified data and outcomes associated with mitigating, preventing, detecting, investigating and prosecuting IHSS fraud and funded a variety of approaches, such as: 1) front-end verification review units for early fraud detection; 2) investment in additional DA and DPSS investigation staff and teams; and 3) new training and automation components. In addition, work has begun for the potential use of data mining technology for IHSS fraud detection and prevention in FY 2010-11. DPSS indicates that the Assembly and Senate Budget Committees action to reject the Governor's Budget proposal to provide ongoing funding for IHSS anti-fraud activities threatens to terminate the County's plan and reverses the progress made by the County thus far.

The Department of Public Social Services and this office support the Governor's Budget proposal to provide funding for IHSS fraud activities. Therefore, consistent with existing Board policy and directives to support proposals to improve program integrity and prevent fraud in the IHSS Program, **the Sacramento advocates will seek restoration of \$10 million in the FY 2010-11 State Budget to support county IHSS anti-fraud initiatives.**

Pursuit of County Position on Legislation

AB 2536 (Carter), which as amended on June 1, 2010, would allow Emergency Housing and Assistance Program funds approved in the Housing and Emergency Shelter Trust Fund Acts of 2002 and 2006 to also be available for supportive housing services.

The Housing and Emergency Shelter Trust Fund Acts of 2002 (Proposition 46) and 2006 (Proposition 1C) authorized the issuance of \$2.1 billion and \$2.85 billion, respectively, in General Obligation bonds to finance various affordable housing programs administered by the California Department of Housing and Community Development (CDHCD). Both measures allocated funds for the Emergency Housing and Assistance Program (EHAP). AB 2536 would allow CDHCD to expend funds either for the EHAP or the Supportive Housing Program.

The Community Development Commission (CDC) indicates that AB 2536 would make supportive housing projects eligible for State bond funds which may help to expand available resources for homeless individuals and families in the County. The CDC relies on State funding for its housing programs for individuals who are homeless, at-risk of homelessness or with special needs.

The Community Development Commission and this office support AB 2536. Therefore, consistent with existing Board policy to support proposals that provide additional resources for meeting the capital and operational costs of housing production and related supportive service needs of low-moderate-income families and the needs of special populations, including elderly, disabled and mentally ill persons, **the Sacramento advocates will support AB 2536.**

This measure is supported by California Rural Legal Assistance Foundation, Corporation for Supportive Housing, Housing California and the Western Center on Law and Poverty. There is no opposition on file. AB 2536 is awaiting a hearing in the Senate Appropriations Committee.

SB 1091 (Hancock), which as amended on May 4, 2010, would extend Medi-Cal benefits to youth entering county juvenile detention facilities.

Under current law, youth detained in county juvenile facilities are not eligible for Medi-Cal benefits. If a youth is receiving Medi-Cal benefits, at the time he or she is detained in a county juvenile facility, Medi-Cal eligibility is suspended. During the period the youth is incarcerated, counties are responsible for providing medical care at their own expense. The county probation department is required to notify the welfare department of the detention so that Medi-Cal eligibility can be suspended and again when the youth is released so that the suspension may be lifted.

SB 1091 would extend Medi-Cal benefits to youth awaiting adjudication in county juvenile detention facilities if the individual is currently receiving Medi-Cal or determined to be eligible for Medi-Cal upon entering the detention facility. Benefits would be provided for detained youth for up to 30 days upon entering the facility or until adjudication, whichever is less. If the youth remains in custody for a period of 30 days or is ordered to remain in custody after an adjudication occurs within the 30-day period, Medi-Cal eligibility would be suspended. The expansion of Medi-Cal benefits would be subject to Federal approval. In addition, SB 1091 would require counties to pay the State's portion of Federal Medical Assistance Percentage.

The Probation Department estimates that approximately 10,000 pre-adjudicated youth are detained annually in County juvenile facilities, 40 to 50 percent of whom receive Medi-Cal benefits. It is not clear how many of the remaining pre-adjudicated youth would be eligible for Medi-Cal. Under SB 1091, the County would receive Federal reimbursement for 50 percent of the Medi-Cal costs and would be responsible for covering the remaining 50 percent. The Probation Department indicates that since the majority of youth are not detained past adjudication, the County would save a significant portion of the administrative costs of suspending and reinstating the Medi-Cal eligibility for these individuals, in addition to savings achieved by receiving Medi-Cal reimbursement for health care services provided to detained youth.

The Department of Public Social Services notes that maintaining Medi-Cal eligibility for juveniles entering a detention facility would be seamless to the youth and would not likely increase Medi-Cal eligibility staff workload. DPSS may incur some additional workload to determine Medi-Cal eligibility for youth currently not receiving benefits upon entering a juvenile detention facility.

The Probation Department, the Department of Public Social Services, and this office support SB 1091. Therefore, consistent with existing Board Policy to support proposals that reduce the number of uninsured persons, and expand Medi-Cal coverage to low-income persons such as juveniles within the County probation system, **the Sacramento advocates will support SB 1091.**

SB 1091 is sponsored by Alameda County and supported by Accessing Health Services for California's Children in Foster Care, Care Task Force, California Medical Association, California Probation, Parole, and Corrections Association, California State Association of Counties, Chief Probation Officers, Children's Advocacy Institute, City and County of San Francisco, County Health Executives Association of California, Kern County Board of Supervisors, Marin County Board of Supervisors, Public Counsel, Sacramento County Board of Supervisors, Santa Clara Board of Supervisors, and Taxpayers for Improving Public Safety and Urban. There is no opposition on file. The bill is awaiting a hearing in the Assembly Appropriations Committee.

Status of County-Sponsored Legislation

County-sponsored AB 133 (Smyth), which as amended on May 20, 2010, would clarify existing language of the Subdivision Map Act to give Los Angeles County the same authority that Orange and San Diego counties have for their unincorporated areas to pay for reasonable administrative and other costs, in addition to actual construction-related costs, was signed by the Governor on July 6, 2010, and it is Chapter 33, Statutes of 2010. This measure becomes effective January 1, 2011.

Each Supervisor
July 9, 2010
Page 5

County-sponsored AB 139 (Brownley), which as amended on April 28, 2010, would amend the Government Code to permit a county board of supervisors to hold one or more regular meetings of the board at a location within the county other than the county seat, was signed by the Governor on July 6, 2010, and it is Chapter 34, Statutes of 2010. This measure becomes effective on January 1, 2011.

On March 3, 2009, your Board approved a motion by Supervisor Ridley-Thomas directing the Chief Executive Officer to seek legislation to remove the restriction that regular meetings of the Board of Supervisors must be held in the County seat, which is the City of Los Angeles. AB 139 was amended at the request of the County on January 4, 2010 to become the legislative vehicle to implement the County-sponsored legislation to conduct meetings of the board of supervisors outside of the county seat. The enacted measure allows the Board of Supervisors to hold meetings in various locations throughout the County to provide residents and stakeholders the opportunity to become engaged in issues that impact the quality of their lives and allow for increased public participation.

We will continue to keep you advised.

WTF:RA
MR:VE:sb

c: All Department Heads
Legislative Strategist
Local 721
Coalition of County Unions
California Contract Cities Association
Independent Cities Association
League of California Cities
City Managers Associations
Buddy Program Participants